

CITY OF TIGARD, OREGON

RESOLUTION NO. 04-91

A RESOLUTION ESTABLISHING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 33 (SW WALNUT STREET)

WHEREAS, the City has initiated the Neighborhood Sewer Extension Program to extend public sewers and recover costs through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, these property owners have been notified of a public hearing in accordance with TMC 13.09.060 and a public hearing was conducted in accordance with TMC 13.09.050; and

WHEREAS, the City Engineer has submitted a report describing the improvements, the area to be included in the Reimbursement District, the estimated costs, a method for spreading the cost among the parcels within the District, and a recommendation for an annual fee adjustment; and

WHEREAS, the City Council has determined that the formation of a Reimbursement District as recommended by the City Engineer is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1      The City Engineer's report titled "Sanitary Sewer Reimbursement District No. 33", attached hereto as Exhibit A, is hereby approved.

SECTION 2      A Reimbursement District is hereby established in accordance with TMC Chapter 13.09. The District shall be the area shown and described on Exhibit B. The District shall be known as "Sanitary Sewer Reimbursement District No. 33, SW Walnut Street."

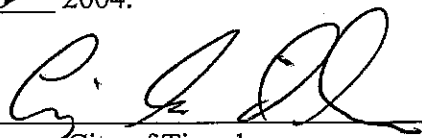
SECTION 3      Payment of the reimbursement fee as shown in Exhibit A is a precondition of receiving City permits applicable to development of each parcel within the Reimbursement District as provided for in TMC 13.09.110.

SECTION 4      An annual fee adjustment, at a rate recommended by the Finance Director, shall be applied to the Reimbursement Fee.


SECTION 5      The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address, in accordance with TMC 13.09.090.

SECTION 6      This resolution is effective upon passage.

PASSED:      This 23rd day of November 2004.

  
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Mayor - City of Tigard

ATTEST:

  
\_\_\_\_\_  
City Recorder - City of Tigard  
*Deputy*

RESOLUTION NO. 04-91

## **Exhibit A**

### **City Engineer's Report Sanitary Sewer Reimbursement District No. 33 (SW Walnut Street)**

#### Background

This project will be constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program the City of Tigard would install public sewers to each lot within the project area. At the time the property owner connects to the sewer, the owner would pay a connection fee, currently \$2,535, and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

#### Project Area - Zone of Benefit

An existing line in SW Walnut Street will be extended east of SW 134<sup>th</sup> Avenue to serve three lots and west from SW 124<sup>th</sup> Avenue to serve two lots as shown on Exhibit Map B.

#### Cost

The estimated cost for the sanitary sewer construction to provide service to the five lots is \$42,036. Engineering and inspection fees amount to \$5,675 (13.5%) as defined in TMC 13.09.040(1). The estimated total project cost is \$47,711. This is the estimated amount that should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays is subject to the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay an additional \$2,535 connection and inspection fee when connection to the public line is made. All owners will be responsible for all plumbing costs required for work done on private property.

#### Reimbursement Rate

All properties are zoned R-4.5 but vary in lot size from 14,000 to 93,000 square feet as can be seen in the following list of lots. Therefore, it is recommended that the total cost of this portion of the project be divided among the five properties proportional to the square footage of each property.

Other reimbursement methods include dividing the cost equally among the owners or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

**Each property owner's estimated fair share of the public sewer line is \$0.184 per square foot of lot served. Each owner's fair share would be limited to \$6,000 to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed as provided by Resolution 03-55 (attached).**

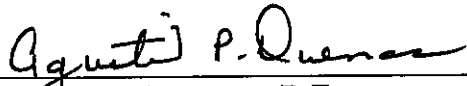
#### Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

#### Recommendation

It is recommended that a reimbursement district be formed with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in the Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted November 9, 2004

  
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Agustin P. Duenas, P.E.  
City Engineer

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WALNUT STREET  
Reimbursement District No. 33

*Preliminary Cost to Property Owners*

November 9, 2004

OWNER	SITE ADDRESS	TAX LOT ID	AREA (S.F.)	ESTIMATED COST TO PROPERTY OWNER	PAID BY OWNER	PAID BY CITY
1 LEARY, KATHLEEN JOAN	13320 SW WALNUT	2S104AC10900	92561.8754	\$17,060	\$8,060	\$9,000
2 HELM, LAVELLE I TRUSTEE	13280 SW WALNUT	2S104AC00200	93389.39123	\$17,212	\$8,212	\$9,000
3 WEINANDY, MICHAEL C & DONAHUE, MARY	13300 SW WALNUT	2S104AC10800	44903.06836	\$8,276	\$6,000	\$2,276
4 TRIGG, CHARLES L	12570 SW WALNUT	2S104AD04000	13790.93808	\$2,542	\$2,542	\$0
5 CARLTON, MARK M & DEMELLO, BRENDA	12600 SW WALNUT	2S104AD03900	14218.40744	\$2,621	\$2,621	\$0
Totals			258864	\$47,711	\$27,435	\$20,276

WALNUT STREET  
Reimbursement District No. 33  
*Preliminary Cost to Property Owners  
Summary  
November 9, 2004*

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Estimated Construction Cost	\$36,553
15% contingency (construction)	\$5,483
Estimated construction subtotal	\$42,036
13.5% contingency (Admin & Eng)	\$5,675
total project costs	\$47,711
total area to be served (S.F.)	258,864
total cost per S.F. to property owner	\$0.18430860

WALNUT STREET  
 SANITARY SEWER IMPROVEMENTS REIMBURSEMENT DISTRICT #33  
 A PORTION OF THE NE 1/4 OF SECTION 4 T2S R1W W.M.

